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Office of Proceedings
APR 1 2 2010

Part of Public Record 226792

Cynthia T. Brown, Chief Section of Administration Surface Transportation Board 395 E Street SW Washington, DC 20423-0001

RE: AB-1043 (SUB-NO.1)

Montreal, Maine & Atlantic Railway, Ltd. Discontinuance of

Service and Abandonment

Dear Ms. Brown:

Enclosed please find the Notice of Intent to Participate and Comments of Red Shield Acquisition, LLC along with a Certificate of Service for filing in regards to the above-referenced matter.

Thank you for your attention to this matter and please do not hesitate to contact me with any questions or concerns.

Sincerely,

Compliants

Gary D Vogel* Ronald N Ward Boan D. William

Ann S. Chepman Policy & Labor Relations

Roger P. Kelley
Labor Relations &
Conflict Management

Christopher P D'Neil Governmental Affairs

Michael J Opuda Ph.D Special Education

Of Course

Joseph L. Delefield III* Robert L. Gys* Doneld A. Kopp* Hugh G. E. MacMahon* Herold E. Wandsum, Jr.*

* Admitted in Maine † Admitted in New Hampshire BEM/al

Enclosure

Benjamin E. Marcus

TH MERITAS

BEFORE THE SURFACE TRANSPORTATION BOARD

MONTREAL, MAINE & ATLANTIC RAILWAY LTD. DISCONTINUANCE OF SERVICE AND ABANDONMENT IN AROOSTOOK AND PENOBSCOT COUNTIES, MAINE	AB-1043 (SUB-NO.1) AB-1043 (SUB-NO.1)
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NOTICE OF INTENT TO PARTICIPATE AND COMMENTS OF RED SHIELD ACQUISITION, LLC

Red Shield Acquisition, LLC d/b/a Old Town Fuel & Fiber ("OTFF") hereby provides notice that it intends to participate actively in the above-captioned proceeding, and requests that its undersigned counsel be added to the service list therein. OTFF also includes below its comments on the Montreal, Maine & Atlantic Railway Ltd ("MMA") Petition to Discontinue Service and Abandonment ("MMA Petition").

OTFF owns and operates the Old Town Pulp Mill ("Mill") which receives roughly thirty percent of its wood supply from Aroostook County, Maine over the MMA line proposed for abandonment. The continued availability of this wood supply via rail is critical to the Mill's long-term viability. OTFF therefore intends to participate in these abandonment proceedings and lodges these comments supporting the preservation and improvement of MMA's rail service.

OTFF COMMENTS

MMA proposes abandonment of approximately 233 miles of track in northern Maine.

This track includes the rail line between Madawaska and Millinocket as well as numerous branch lines. MMA proposes retention of its rail network south and west of Millinocket and an isolated

23-mile segment between Madawaska and Van Buren in extreme northern Maine. See MMA

Petition at narrative pages 1-2, and Exhibits 1 and 2.

OTFF's Mill consumes approximately 600,000 tons of high quality hardwood pulp fiber and 200,000 tons of biomass fuel annually. The cost of wood fiber represents thirty-five to forty-five percent of OTFF's operating costs. Without high quality, competitively priced wood fiber, the Mill (like others in Maine's wood products industry) will not be able to operate at a profit.

MMA's rail service is integral to the supply of such fiber. Twenty-five to thirty percent of the fiber supply for the Mill originates from Aroostook County and is railed down from Portage to South LaGrange where it is off-loaded and trucked into the Mill. This fiber is of superior quality due to its high maple content and environmental certifications. Transport of this supply by rail lowers its cost and reduces the associated environmental footprint. MMA's abandonment petition includes this rail.

Grant of the proposed abandonment would eliminate OTFF's ability to obtain this fiber at its current price structure thereby materially increasing the costs of doing business such that the Mill may no longer be economically feasible to operate. Closure of the Mill would result in the loss of approximately 200 jobs in an area already suffering economic stress.

Even should the Mill continue to operate, all fiber would need to be transported from its origin by truck. The increased truck traffic associated solely with the Mill's fiber needs would be between 4,500-5,000 truck loads annually. This increase in heavy truck traffic would necessarily have a negative impact on safety, result in increased highway maintenance costs, and cause a significant increase in air and noise pollution.

The rail line in question is an integral part of the flow of commerce throughout the state of Maine. MMA's proposed rail abandonment profoundly alters industry's ability to do business

in the State of Maine at a time when many, if not most, businesses are already struggling to keep the doors open. The negative impact of approval of the Abandonment Petition will be felt not just by OTFF but throughout the State of Maine. OTFF therefore strongly supports maintenance of MMA's rail lines.

Dated: April 12, 2010

Benjamin E. Mareus, Bar No. 3512 Joanna B. Tourangeau, Bar No. 9125 Counsel for Red Shield Acquisition, LLC d/b/a Old Town Fuel & Fiber

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CERTIFICATE OF SERVICE

I hereby certify that on the date set forth below, I served a copy of the foregoing Notice of Intent to Participate and Comments of Red Shield Acquisition, LLC on the following by email or U.S. Mail, postage prepaid:

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Dated: April 12, 2010

Benjamin E. Marcus, Bar No. 3512 Joanna B. Tourangeau, Bar No. 9125 Counsel for Red Shield Acquisition, LLC

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